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IOS



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IOS AT A GLANCE

IOS is composed of more than 50 different companies engaged in fund management, insurance, banking and real estate.

It has the largest international mutual fund sales organization in the world.

IOS has more than 100 offices throughout the world, with two new offices opening each month.

The more than 400,000 IOS clients could populate a city twice the size of Geneva, Switzerland.

IOS program sales are estimated to represent nearly 20 percent of all mutual fund program business being written in the world.

IOS is more than 90 percent owned by its employees and representatives.

IOS's sales for 1966 and 1967 were over a billion dollars a year.

Every day, IOS's computer complex handles some 5,000 transactions representing a flow of 1.5 to 3 million dollars.

10,000 new clients are added to the IOS roster each month.

The Fund of Funds, Limited is one of the largest mutual funds outside the U.S. Net asset value increased by over 38 percent in 1967.

IIT has, over the past five years, out-performed all mutual funds investing internationally. The Fund had total net assets of 185.5 million dollars at end 1967.

Regent Fund Ltd., investing in Canada and the United States, had an increase of over 200 percent in net assets in 1967.

The Fund of Funds Sterling Limited, sold in the sterling area, showed an increase in net asset value of over 60 percent in 1967.

Fonditalia, an IOS national mutual fund, was launched in late 1967. As of end March, 1968, the Fund had assets exceeding 9 million dollars.

The International Life Insurance Company S.A. (Luxembourg) and its subsidiaries had 554 million dollars of insurance in force, with 81,600 lives insured, at end 1967.

INDEVCO—the IOS real estate subsidiary—is supervising projects in Spain, the United States and Africa. 1967 total sales amounted to 12.2 million dollars.

*Part Co offer plan
the year - 1967
from (Bank Holiday Co.)
115-million in
understands
Candellin Centre
IOS Fun Holiday Ltd.*

INTRODUCTION

Investors Overseas Services (IOS) has had a phenomenal growth since its modest beginnings in 1956. The IOS complex has grown in many directions.

This expansion and diversification has led to some confusion as to what IOS is, who directs the principal companies, how it operates, and so on. "This is IOS" is intended to be a guide to the IOS structure—sales, fund management, insurance, banks and financial companies, real estate, administration and other institutions and operations.

Biographies of principal IOS executives are included.

This booklet is essentially designed as background material for newsmen and editors. Information will be supplemented and up-dated from time to time.

Note: the figures contained in this booklet, unless otherwise indicated, are for year end 1967.

I.O.S., LTD. (S.A.)—or Investors Overseas Services, as it is more widely known—is one of the world's largest financial service organizations. It is the parent of an international complex of companies offering mutual fund programs, investment management, investment advice, banking, insurance, real estate and other financial services to an international clientele in all walks of life. In 1966, IOS became the first international firm ever to sell more than one billion dollars in fund investment programs. IOS also has a newspaper, a business magazine, a data processing facility and a charitable foundation. More than fifty interrelated companies are within the IOS complex. IOS companies exist in various countries around the world including Canada, Germany, Great Britain, Luxem-

bourg, and the United States. Major administrative offices—staffed by over 2,500 employees and executives—are located in Geneva, Ferney-Voltaire (France), Montreal and London.

There are more than 7,500 IOS field representatives trained in financial planning techniques and dedicated to serving over 400,000 clients throughout the world. Every month, 10,000 new clients join the ranks of those planning their financial futures through IOS and its subsidiaries.

IOS is almost wholly owned by its employees and representatives. Through stock ownership and profit sharing, employees participate in the earnings and growth of the company. At year-end 1967, the net worth of the company was more than 17 million dollars.

IOS AT THE BEGINNING

MUTUAL FUNDS

IOS at the Beginning

IOS was started in Paris in 1956 by Bernard Cornfeld. Mr. Cornfeld recognized the need among U.S. military personnel, diplomats, businessmen and professional men living outside the United States for financial planning coupled with a sound investment vehicle. He believed that mutual funds (already being sold extensively in the United States) provided such a vehicle. IOS was first organized to enable Americans living in Europe to invest in mutual funds. In 1956, a million dollars in mutual funds programs were sold by the new firm.

During the formative years of IOS, it became apparent that financial planning was a universal need, as necessary for Europeans, Asians, Africans and Latin Americans as it was for U.S. citizens. A shift of emphasis was effected: The basic IOS product—mutual funds—remained the same, but the market was broadened to include individuals of many nationalities.

After a modest first year, sales volume doubled in 1958 and again in 1959.

In 1958, IOS moved its administrative and executive headquarters to Geneva. Switzerland offered a stable

monetary system, free currency exchange, and laws which safeguarded the anonymity of clients, together with a location in one of Europe's most important financial and banking centers where excellent communications facilitated the firm's daily operations.

In 1960, following the example of many of the world's business organizations, IOS incorporated in the Republic of Panama, which offered favorable fiscal conditions.

As sales volume continued to double each year, and as the volume of administrative work grew, IOS's facilities in Geneva were strained, and a portion of the staff was moved to London. Because Swiss "work permit laws" imposed a restriction on growth, a new office center was developed in 1967 at Ferney-Voltaire, just across the border, in France—five kilometers from downtown Geneva. This move was made with the full cooperation of the Swiss and French governments. Ferney-Voltaire provided IOS with the ability to expand its administrative activities with fewer limitations on staff composition and size. Executive branch offices and allied administrative offices continue to be located in Geneva.

Mutual Funds

In addition to offering numerous financial services—including the management of a billion dollars of assets—a major IOS enterprise is the distribution of mutual fund programs on an international scale. Mutual funds enable investors, both large and small, to pool their capital in order to obtain the inherent advantages of professional management, continuous supervision, diversification and convenience.

Millions of investors throughout the world have put their money to work in professionally-managed funds where their money may grow and they may share in the earning power of industry.

Common stocks are the underlying investment of most mutual fund portfolios. Over the years, market prices of common stocks of industrial corporations have generally

tended to keep pace with increases in the cost of living. For this reason, common stocks are widely recognized as a potential hedge against inflation. Mutual funds offer the advantage of many common stocks in a single, conveniently-packaged, professionally managed security.

Until 1962, IOS's sales efforts, for the most part, were concentrated on Dreyfus Fund investment programs—which are still being offered by its representatives. In 1962, The IOS Investment Program was launched. This program was developed as a system for investment especially geared to the needs of the non-American investor.

IOS offers a number of funds for investment under this program, including two funds which it originated—IIT and The Fund of Funds. The pages that follow explain the structure and performance of these funds.

IIT, AN INTERNATIONAL INVESTMENT TRUST

IIT provides an opportunity to participate in the long-term growth of the international economy. The fund's assets are invested in leading industries of many countries.

The fund is managed by IIT Management Company, S.A., an IOS subsidiary. The management company is assisted by an advisory board of economists and bankers in Tokyo, Milan, New York, Toronto, Madrid and Paris, and correspondents in London, Frankfurt, Geneva, Montreal and Buenos Aires.

The primary investment objective of IIT is long-term growth of capital. In pursuit of this objective, management follows a policy of aggressive diversification on an international scale. Investments are concentrated in companies and areas which appear to offer the most favorable opportunities for profit.

Regulations fixed by the government of Luxembourg, where the fund is registered, permit flexibility and wide latitude in the selection of investments. For example, IIT is allowed to invest up to 25 percent of its assets in under-

writings and other special market situations. Investments of this type are usually available only to institutional investors and not to the general public. Backed by ample resources and guided by professional management, IIT has been able to participate in a number of underwritings and special market situations for the benefit of the shareholders, large and small.

IIT shares may be purchased under The IOS Investment Program. Among the features offered are: partial liquidation (up to 90 percent), automatic withdrawal plans, plan completion insurance, and reduced sales charge for larger investments.

Crédit Suisse, in Zurich, Switzerland, acts as the Depository of Cash for IIT. Banque Internationale à Luxembourg acts as Transfer Agent and Registrar for the fund, and provides certain bookkeeping and administrative services. Montreal Trust Company of Canada is custodian of securities for the fund portfolio.

IIT—Value of Shares

IIT shares may be purchased and sold freely at a price calculated every business day. When first offered under The IOS Investment Program, in October 1962, shares were valued at \$3.53 per share. By the end of December 1967, the share price was \$8.92—an increase of 153.2 percent in five years.

In the five-year period, IIT has performed substantially better than the indices of all major stock markets in the world. In fact, over the past five years, IIT has out-

performed all publicly offered mutual funds investing internationally.

It should be noted that this performance record was achieved in a period of generally declining European markets. Despite this, IIT's gain of 153.2 percent far surpassed the Dow-Jones Industrial Average increase of 81 percent during the same half decade (adjusted for reinvestment of dividends).

Management Compensation

For managing the Fund portfolio and performing administrative services, IIT Management Company receives a monthly fee of one twelfth of one percent of the Fund's average total net assets for the month.

Sales costs, promotion and advertising expenses are borne by IOS. The management company, along with IOS, provides office space, accounting and administrative staff and facilities required to conduct Fund business.

IIT, AN INTERNATIONAL INVESTMENT TRUST

Performance Figures

Net Asset Value
Per Share
U.S. Dollars

1962 — October 15	
Initial offering under The IOS	
Investment Program	3.53
1962 — December 31	3.78
1963 — December 31	4.19
1964 — December 31	4.64
1965 — December 31	6.47
1966 — December 31	6.70
1967 — December 31	8.92

Growth Figures

Total Net Assets
U.S. Dollars

1962 — December 31	3,863,500
1963 — December 31	6,340,000
1964 — December 31	8,066,700
1965 — December 31	17,772,700
1966 — December 31	74,098,300
1967 — December 31	185,504,800

THE FUND OF FUNDS, LIMITED (F.O.F.)

The Fund of Funds, Limited is a fully-managed mutual fund with primary emphasis on long-term growth.

Most mutual funds invest in common stock and achieve diversification by investing in the stocks of different companies in a variety of industries. The Fund of Funds is different in that its portfolio is primarily composed of shares of other funds, including portfolio accounts run by selected investment managers under F.O.F. Proprietary Funds Ltd. (see page 9).

For The Fund of Funds' shareowners, this policy increases the advantages of broad management and large-scope investment opportunities through participation in several fund portfolios.

It is obvious that selection is the key factor in common stock investments. Similarly, selecting the best mutual fund for a particular investment objective is just as important—and can be just as difficult.

There are over 350 mutual funds in the U.S. today, and

new ones are being constantly introduced. Some funds perform better than others; the best performing fund one year may do poorly the following year. The Fund of Funds' management evaluates the various mutual funds and selects the best funds for investment. Performance records are examined, strengths and weaknesses analyzed, fund portfolios studied, and managements investigated. The soundness of this selection is reflected in The Fund of Funds' record of success to date.

The Fund of Funds' shares may be purchased under The IOS Investment Program which offers such special features as partial liquidation, automatic withdrawal plans, plan completion insurance, and reduced sales charge for larger investments. The Bank of New York, New York City, is The Fund of Funds' Custodian of Securities. Crédit Suisse, Zurich, receives cash payments and acts as depository for cash. The Montreal Trust Company of Canada is the Transfer Agent and Registrar.

F.O.F.—Value of Shares

When first offered in September 1962, a share of The Fund of Funds was valued at \$10.00. By the end of December 1967, it had increased to \$24.13, a 141.3 percent rise in the first five years of the Fund's operation. During the same period, the Dow-Jones Industrial Average

rose 81 percent (including reinvestment of dividends). The Fund of Funds' assets as of December 31, 1967 exceeded 617 million dollars, making it one of the largest mutual funds sold internationally outside the U.S.

Management Compensation

For supervising all phases of the Fund's activities, including the review, purchase and sales of portfolio securities as well as performing administrative services, the Management Company receives a monthly fee of one twenty fourth of one percent of the average total net assets for the month. IOS and its subsidiaries act as

distributors of The Fund of Funds' shares. The acquisition charge structure is consistent with that of mutual funds in the U.S.

Depending upon the amount invested, there is an acquisition charge ranging, for fully paid programs, from 8.5 percent to one half of one percent.

THE FUND OF FUNDS, LIMITED (F.O.F.)

Performance Figures

	Net Asset Value Per Share U.S. Dollars
1962 — September 22 Initial offering	10.00
1962 — December 31	10.13
1963 — December 31	12.44
1964 — December 31	14.20
1965 — December 31	18.06
1966 — December 31	17.41
1967 — December 31	24.13

Growth Figures

	Total Net Assets U.S. Dollars
1962 — December 31	1,883,574
1963 — December 31	26,372,908
1964 — December 31	111,318,300
1965 — December 31	316,836,600
1966 — December 31	426,239,300
1967 — December 31	617,798,800

Top performance results in the U.S. securities markets have been achieved, over the past ten years, by highly specialized, individual investment managers and management teams. Generally speaking, until 1965, many of these experts were primarily involved in the management of private portfolios or in advising publicly-offered mutual funds. The assets of these funds were frequently so small that The Fund of Funds could not take a meaningful position in them.

In the summer of 1965, The Fund of Funds set up portfolio accounts to be run by selected managers on an individual basis. The immediate performance results were excellent and the concept of the "proprietary fund" has enabled The Fund of Funds investors to benefit from the investment know-how of individual portfolio advisors.

On May 18, 1967, the proprietary fund accounts (F.O.F. Proprietary Funds Ltd.) were reconstituted under Canadian tax and corporate laws. Freed from restrictive U.S. tax law considerations, portfolio advisors can now make investment decisions purely on the basis of prevailing market and investment considerations.

The following describes some of the activities of the proprietary funds:

Fred Alger, the **Alger Fund Account** advisor, is also portfolio manager of Security Equity Fund. SEF was the best performing U.S. mutual fund in 1965 and ranked among the top 15 funds in 1967. Largely a portfolio of growth stocks, the Alger Fund account benefits from the advisor's expertise at timing investments. The Alger Fund account, with year-end assets of 82 million dollars, has appreciated 23 percent since May 18, 1967.

Douglas Fletcher is advisor for the **Douglas Fund Account**, which stresses over-the-counter issues with long-range growth potential and special situations where price movements are unrelated to general market trends. The account has appreciated 45 percent since May 18, 1967, and had assets of 56 million dollars at year-end, 1967.

One of the investment tools available to Caryle Jones and C. Dean Milosis, the portfolio advisors of the **York Fund Account**, is the technique of "short selling" (profiting through security price decreases rather than increases). York was one of the best performing funds in The Fund of Funds' portfolio in 1966. At the close of 1967, York Fund account assets totaled 55 million dollars. Jones and Milosis are also general partners and portfolio managers of City Associates, a private investment partnership.

The **FIG Account** is more actively involved in trading than the other Proprietary Fund accounts (in order to take advantage of short-term price movements in the market). Its investment advisors emphasize long-term growth through short-term trading profits. FIG has been one of the best performing fund accounts with a gain of 28 percent since May 18, 1967. Portfolio advisor for the account is Lawrence Groo. Its year-end assets were 57 million dollars.

The revolutionary use of the computer as an investment analysis tool by the **Computer Directions Fund Account** added a new dimension to the Proprietary Fund concept. The computer not only compiles securities statistics, but also actively aids in formulating investment decisions. The investment philosophy of the Fund account is to selectively purchase growth-oriented common stocks by using past price movements to forecast future stock price trends. Portfolio advisor for the account is Robert A. Levy. At year-end, 1967, assets were 32 million dollars.

The **Real Estate Growth Fund** was created in October, 1967. INDEVCO, a wholly-owned real estate subsidiary of IOS, acts as advisor to the account's portfolio. The Fund account's policy is to invest in real estate projects throughout the world with emphasis on projects in the U.S. Profits are derived from both rental income and capital appreciation. Year-end assets for 1967 were 2 million dollars.

In November 1967, Tom O'Connell joined the management group as portfolio advisor to the newly-created **Technology Fund Account**. Technology, which had assets of 8 million dollars at year-end, 1967, concentrates on seeking out companies which are creating new products with large market potential. O'Connell also manages Bay Colony Associates, a private investment partnership, which appreciated nearly 100 percent in 1967.

David Meid, manager of Winfield Growth Fund, the fourth-best performing U.S. fund in 1967, joined the F.O.F. Management team in October. **Meid Fund Account** selects investments based on general market and security price trends and on individual company developments. The account's year-end assets were 22 million dollars.

The **Hedge Fund Account**, managed by Martin Solomon, who is also an adviser to IIT, was created in December, 1967. Its investment policy provides short selling to take advantage of declining securities prices. Year-end assets for 1967 were 2 million dollars.

OTHER FUNDS

INSURANCE

Other Funds

Four other funds are sponsored and managed by IOS:

Regent Fund Ltd. was started in Canada in 1958 as an investment vehicle for Canadians and others interested in participating in the expanding Canadian economy. IOS undertook sponsorship and management of the Fund in 1963, when aggregate total net assets were less than 300,000 dollars. Regent's performance record has consistently been among the best of all the Canadian funds. Net assets as of December 31, 1967: 25.2 million dollars. As of December 31, 1967, net asset value per share had increased by 35.7 percent over the previous year.

The Fund of Funds Sterling Limited (operations began in December 1965) employs investment techniques similar to those of The Fund of Funds. Leading British merchant banks and investment advisory firms handle segments of the Fund's portfolio on a discretionary account basis. Net assets as of December 31, 1967: 27.2 million dollars. As of December 31, 1967, net asset value per share had increased by 61.5 percent over the previous year.

Fonditalia, established in late 1967, is a national mutual fund established by IOS. Registered in Luxembourg, the Fund is distributed world-wide through broker-dealers and representatives. In Italy, the Fund is distributed through authorized banks. Fonditalia invests in the expanding Italian economy with investments also made in the United States, Europe, and elsewhere. As of end March, 1968, the Fund had total net assets exceeding 9 million dollars.

Investors Fonds, in Germany, was launched in March 1968. The Fund is managed by Investors Fonds Kapitalanlagegesellschaft mbH, with headquarters in Munich. As of March 31, 1968, the Fund's total net assets were approximately 3.7 million dollars.

Insurance

Fund investments and life insurance are integral parts of estate planning. In order to provide its world-wide clientele with broad coverage, IOS established a series of insurance companies to underwrite life insurance on the international market.

Two principal insurance subsidiaries are:

The International Life Insurance Company, S.A. (Luxembourg) and **The International Life Insurance Company (U.K.) Ltd.**, offering a full complement of ordinary life, term, group and endowment policies. Both companies reported substantial sales last year. The Luxembourg organization, with 295 million dollars of insurance in force, served as insurer of group creditor term insurance under The IOS Investment Program (CAPINS Programs). The British company, with 259 million dollars of insurance in force, sponsors the Dover Equity Plan, an equity-linked life insurance policy.

In addition other insurance companies serve the various needs of the IOS complex in the U.S. and overseas. They are: The International Life Insurance Company (Malta) Ltd., The International Life Reinsurance Company Limited (Bahamas), Capital Planning Associates S.A. (Panama) and Pension Life Insurance Company of America Incorporated (New Jersey, U.S.A.).

BANKS COMPUTER INSTALLATION

Banks

To meet both its own banking needs and the varied requirements of its clients, IOS operates four banking institutions.

Overseas Development Bank, located in Geneva (with branches in London and Luxembourg), provides a complete range of commercial banking services, including specialized investment and estate-management facilities. ODB was one of the first Geneva banks to automate its accounts through use of the latest IBM computer system, a development necessitated by the rapid numerical growth of client accounts. At year-end 1967, ODB reported capital and surplus exceeding 11 million Swiss Francs. Total year-end assets were approximately 124 million Swiss francs.

Investors Overseas Bank, Limited, located in Nassau, Bahamas, serves the corporate banking needs of IOS and its subsidiaries and deals only with other institutions.

Investors Bank, Luxembourg, a commercial bank headquartered in the Grand Duchy, is chiefly engaged in the acceptance of long-term deposits for both individual and institutional accounts.

Orbis Bank, a private bank located in Munich, Germany, is designed to provide general commercial banking services and to serve the German clients of IOS. It is 90 percent owned by IOS and 10 percent owned by the German banking firm of Preusker and Thelen. Branch offices of the bank will soon be opened in several major German cities. In addition, IOS controls a number of banking and related companies to handle secured loans and rediscounting loans to various banking institutions. A complete listing can be found on page 17.

Computer Installation

The large number of transactions and the complexity of accounting operations required to serve the many IOS clients made the electronic computer a necessary and logical facility for IOS.

International Scientific Systems, Ltd., a data processing affiliate, develops custodial bookkeeping for The IOS Investment Program. In 1967 a complete computer installation was established at Nyon, near Geneva, under contract with the Sperry Rand International Corp. This facility is supplemented by computers in London.

In addition to its use in accounting and recordkeeping, the computer plays an important part as an aid to portfolio management. Analysis of the stock market by computer, although relatively new, has proved its effectiveness and, together with advanced communications systems, has become a key factor in the successful performance of various IOS funds.

REAL ESTATE PUBLISHING THE IOS FOUNDATION

Real Estate

Investors Development Corporation, Ltd. (INDEVCO) is an IOS subsidiary in the property and real estate field. The first in a series of world-wide developments in vacation and retirement real estate has been launched on the Costa del Sol—a resort area located between the sea and the mountains on the southern coast of Spain. Two projects are being developed in the area—El Rosario, near Marbella, containing property available for villas; and Playamar, a luxury-apartment project near Torremolinos. Playamar is being expanded to 945 apartments in 21 fifteen-story buildings, with two private clubs, two shopping centers, and a variety of recreational and entertainment facilities. INDEVCO offers furnishings, management and rental of the properties if the owner desires these services. Since operations began in November 1966, INDEVCO sales in Spain have amounted to more than \$14 million. INDEVCO is also supervising the preparations for a luxury apartment and club complex in Hallendale, Florida, consisting of 1250 apartments on nearly \$3 million worth of ocean front and bay front land. The company is also involved in the construction of a 16-story air-conditioned office building in the business center of Nairobi, Kenya.

Publishing

The Weekly Tribune, an English language weekly newspaper published in Geneva and distributed throughout Switzerland and other parts of Europe, was the first of the company's publishing enterprises.

Business Digest, first published in February 1968, is a monthly magazine covering significant American business, economic and financial events. It is designed for business leaders around the world.

The IOS Foundation

The Foundation is dedicated to the development of humanitarian projects throughout the world.

A budget of more than 300,000 dollars for contributions was allocated for projects in over 40 countries in 1968. The Foundation and its projects are supported by IOS, its employees, and its associates. Annual contributions are made from IOS's annual net profits.

Of the scores of major projects to which the IOS Foundation has contributed, all but a handful were originally suggested by IOS associates or their wives, who then followed through on the projects, seeing that the money was effectively employed, raising additional funds locally and contributing their own time and effort.

Projects receiving IOS Foundation support have ranged from a children's hospital in Iceland to a home for the handicapped in Malta; from literacy campaigns in Iran and Italy to a school for retarded children in South America and an institute for the deaf in Africa; from a center for the children of working mothers in Bolivia to a school for the children of Karen tribesmen in a remote mountain region of northern Thailand.

The IOS Foundation was also largely responsible for financial and administrative assistance to Pacem in Terris II, a privately conducted conference to consider the requirements for world peace. Held in Geneva May 28-31, 1967, the conference brought together some 400 distinguished public and private representatives from countries throughout the world to discuss major obstacles to world peace.



THE IOS-SEC AGREEMENT

The United States Securities and Exchange Commission (SEC) issued in Washington May 24, 1967 an Order of Settlement of its longstanding dispute with Investors Overseas Services (IOS).

At the heart of the dispute was the SEC's demand that IOS supply it with a full list of the company's clients regardless of their nationality. This demand was made because of the SEC's contention that under U.S. law any company selling securities to Americans was compelled to open its record to the Commission.

The basic IOS position, as stated in court, was: U.S. securities laws do not apply to purchases and sales of securities which occur wholly outside of the United States. Transactions outside the United States, IOS contended, are subject to the laws of the countries wherein such transactions occur.

Under the settlement, IOS agreed to cease sales of securities to U.S. citizens and to merge its two subsidiary mutual fund organizations (ICS and IPC) in the United States. (Negotiations are currently under way for IOS to dispose of its control of the merged corporation).

In May of 1965, the SEC commenced an investigation of the affairs of IOS and its subsidiaries. IOS offered full cooperation to the SEC and supplied the Commission with a mass of information and statistics on the worldwide activities of the more than 50 companies in the IOS group.

However, the company refused to hand over a full listing of clients and details of their dealings with IOS.

Spokesmen for the company maintained that to do so would violate the laws and business tradition of the various countries in which the company does business, most of which require that client transactions be kept completely confidential. At the time, IOS emphasized that more than 90 percent of its clients were non-American. Following the filing of the SEC's request and its rejection by IOS, the company brought suit against the Commission in the U.S. Federal Courts for a determination that its activities outside the United States were not subject to SEC jurisdiction.

As a prelude to the settlement, IOS circularized its American clients, who at the time made up between two and three percent of the total sales volume, asking whether they would consent to the company's supplying information to the SEC concerning their accounts with IOS. Approximately two-thirds of those circularized gave their consent, and information on them was passed to the SEC. No information was given to the SEC by IOS without the prior consent of the client.

Under the terms of the settlement neither the SEC nor IOS retreated from its basic position. The settlement did not contain any findings of violation on the part of IOS, nor did it involve any sanctions against IOS.

Other U.S. companies which are part of the IOS network remained unaffected by the settlement. IOS continues to sell U.S. mutual funds shares around the world and the various mutual funds which are managed by IOS subsidiaries continue to invest freely in U.S. securities.

SOCIÉTÉ D'INFORMATION IOS S.A. (SIOS)

Société d'Information IOS S.A. (SIOS), a wholly-owned subsidiary of Investors Overseas Services, Limited, is responsible for liaison with Swiss banks and financial institutions. SIOS, a Swiss company established in 1967, has its main offices at 119 rue de Lausanne, Geneva, and a branch office in Zurich. All directors and staff members of SIOS are of Swiss nationality. The President of the company is Jean de Muralt.

The main responsibility of SIOS is to promote sales and to encourage banks to offer IOS funds as extensively as possible to their clientele.

SIOS is also responsible for performing all necessary services for the 5000 clients in Switzerland who invested in IOS funds from 1964 to 1967.

In 1967, in accordance with new Swiss legislation requiring that all foreign mutual funds being offered for sale in Switzerland be registered with the Federal Banking Commission, The Fund of Funds, Limited, and IIT, an International Investment Trust, were so registered. Since the registration, direct sales have been discontinued, and all sales are now conducted through banks.

The Caisse d'Epargne du Valais is the representative for The Fund of Funds and IIT in Switzerland.

CORPORATE STRUCTURE

I.O.S., LTD. (S.A.) was incorporated under the laws of the Republic of Panama on April 8, 1960.

Until very recently, I.O.S., LTD. (S.A.) was both a holding company and an operating company. In recent years, it has assumed more and more of the aspects of a pure holding company. At the Annual Meeting of the Company held on July 25, 1967, it was determined that the Company should function solely as a holding company, with the following functions:

1. Review and evaluation of operations of subsidiaries, including the establishment and approval of subsidiary operating budgets.
2. Maintenance of inter-corporate (subsidiary) relations and liaison.
3. Performance of long-range corporate planning.
4. Corporate finance, including possible mergers and acquisitions.
5. Corporate and institutional public relations and community relations.
6. Providing of legal, corporate data processing, accounting and administrative support services to subsidiaries.

The Officers, Directors and Members of the Executive Management Committee of I.O.S., LTD. (S.A.) are:

Bernard Cornfeld	President and Chairman of the Board
Edward M. Cowett	Executive Vice-President and Director
Kent Gordis	Vice-President
George Landau	Vice-President
Morton I. Schiowitz	Vice-President ←
Edward J. Coughlin, Jr	Secretary
Melvin Lechner	Treasurer
C. Henry Buhl III	Director ✓
Allen R. Cantor	Director
Richard M. Hammerman	Director
Roy Kirkdorffer	Director
James Roosevelt.	Director ✓
Eli Wallitt	Director
Wilson W. Wyatt.	Director

EXECUTIVE MANAGEMENT COMMITTEE:

C. Henry Buhl III	George Landau
Allen R. Cantor	James Roosevelt
Bernard Cornfeld	Morton I. Schiowitz
Edward M. Cowett	Barry Sterling
Richard I. Gangel	George Tregoe
Kent Gordis	

The decision to restrict the activities of I.O.S., LTD. (S.A.) to those of a holding company was accompanied by a decision to group most of the various operating activities of companies within the IOS group under principal operating subsidiaries.

CORPORATE STRUCTURE



The following are the principal operating subsidiaries and the companies which they control:

INVESTORS OVERSEAS SERVICES LIMITED (principal sales company) is organized under the laws of the Bahamas. It is the principal operating sales company in the IOS group of companies, and, except as specifically noted below, owns all of the other sales companies within the IOS group of companies. The Chief Executive of the Company is Allen R. Cantor.

Sales companies in the IOS group of companies owned by Investors Overseas Services Limited, are:

Argentina

I.O.S. Distribuidora Sudamericana S.A.

Australia

International Overseas Services Pty. Limited

Austria

Investors Overseas Services in Wien GmbH

Canada

I.O.S. of Canada, Ltd.

Far East

IOS Far East Limited, Branch Headquarters, Tokyo

Germany

Altersinvest Beratungsgesellschaft für Anlageplanung und Altersversorgung mbH

Hong Kong

Investors Overseas Services (H.K.) Limited

Lebanon

Investors Overseas Services (Middle East) S.A.L.

Luxembourg

Investors Overseas Services I.O.S. (Luxembourg) S.A.

Mexico

Servicio de Inversionistas de Ultramar S.A. (49% owned)

Panama

Agencia de Investors Overseas Services de Panama S.A.

Switzerland

Société d'Information IOS S.A. (SIOS)

Additional sales organizations will be established in other countries as required.

IOS OVERSEAS FUNDS MANAGEMENT LIMITED

(principal national funds development and management company) is organized under the laws of the United Kingdom. It is spearheading the development of a network of investment companies or funds to be organized and operated within particular nations or groups of nations. Chief Executive of the Company is James Roosevelt.

The management companies owned by IOS Overseas Funds Management Limited are:

Fonditalia Management Company S.A., a Luxembourg corporation which acts as manager of Fonditalia, a newly organized unit investment trust registered in Luxembourg, which selects securities for investment in Italy and other major industrial centers of the world.

Investors Fonds Kapitalanlagegesellschaft mbH, a German company licensed by the federal government to operate as a fund management company. The company's first German fund was launched in March 1968.

THE INTERNATIONAL LIFE INSURANCE COMPANY

S.A. (principal insurance company) is organized under the laws of Luxembourg. An 80 percent-owned subsidiary of I.O.S., LTD. (S.A.), it is a life insurance company offering a full range of policies on an individual and group basis. Except as specifically noted below, it owns all insurance companies within the IOS group of companies. The Chief Executive of the Company is Richard M. Hammerman.

Insurance companies in the IOS group of companies owned by the International Life Insurance Company S.A. are:

The International Life Insurance Company (U.K.) Limited, a British life insurance company which writes a full range of individual and group policies, including an equity-linked policy called the Dover Equity Plan.

The International Life Insurance Company (Malta) Limited, a Maltese company offering the same line of policies as The International Life Insurance Company (U.K.) Ltd.

The International Life Reinsurance Company Limited, a Bahamas corporation which acts as reinsurer of risks for life insurance companies, including companies within the IOS group of companies.

Capital Planning Associates S.A., a Panama corporation which acts as a general agent for insurance companies within the IOS group of companies.

IOS FINANCIAL HOLDINGS LIMITED, a U.K. company, is the sole owner of the banking companies listed below (with the exception of Orbis Bank). The Chief Executive of the Company is Barry Sterling. The banking and related companies owned by IOS Financial Holdings Limited are:

Overseas Development Bank, Geneva, a Swiss bank with branches in London and Luxembourg.

Investors Bank, Luxembourg, a Luxembourg bank.

ODB Acceptance Company Limited, a Bahamas corporation, which is not a bank but is engaged in the related business of making secured loans and rediscounting such loans to various banking institutions.

I.C.S. Rediscount Corporation, a New York (U.S.A.) corporation, which is not a bank but is engaged in the related business of making secured loans and rediscounting such loans to various banking institutions.

I.O.S. Enterprises S.A., a Panamanian corporation, which acts as a broker in connection with the placement of institutional lendings and borrowings.

Hyde Park Bank Limited, a Bahamas bank which, although fully licensed to transact a banking business in the Bahamas has to date engaged in no activities.

Orbis Bank GmbH, with headquarters in Munich, Germany, was granted permission for establishment by the Federal Banking Commission on December 21, 1967. The authorized capital of the Bank is four million DM. Ten percent of the share capital is held by the German banking firm of Preusker and Thelen of Bonn. In due course, the Bank will establish branches and correspondents in major German cities.

INVESTORS DEVELOPMENT CORPORATION, LTD. (INDEVCO), is a Bahamas corporation. It is engaged in the acquisition, development and sale of real estate. It is anticipated that as IOS real estate activities expand over the course of the next several years, separate subsidiaries may be organized to deal with specific real estate projects to be undertaken. The Chief Executive of the Company is Martin Seligson. At present, the sole **INDEVCO** subsidiary, **Property Management S.A.**, a Spanish corporation, serves as rental and maintenance agent with respect to real estate in Spain.

The following are administrative companies within the IOS group:

INVESTORS OVERSEAS SERVICES IN DEUTSCHLAND GMBH (MUNICH, GERMANY)

This company provides administrative support to IOS activities in Germany, including training, public relations and advertising. The Chief Executive of the Company is Dr. Erich Mende.

I.O.S. ADMINISTRATIVE S.A. (GENEVA, SWITZERLAND)

This company was formed on October 11, 1967, with a fully-paid capital of two million Swiss francs. The new subsidiary coordinates and groups the administrative service operations based in Geneva. The Chief Executive of the company is Jean de Muralt.

SERVICES ADMINISTRATIFS I.O.S. FRANCE S.A.R.L. (FERNEY-VOLTAIRE, FRANCE)

This company is responsible for the conduct of the major IOS administrative center at Ferney-Voltaire. Operations encompass client service, field accounts and support for field representatives. The Chief Executive of the Company is James F. (Ted) Roosevelt.

(In addition to the Geneva and Ferney-Voltaire administrative offices, administrative centers are also located at London, England; New York City, N.Y.; Tokyo, Japan; Montreal, Canada; and Beirut, Lebanon. Administrative personnel are also located at the more than 100 Branch Offices maintained by the IOS group of companies throughout the world.)

CORPORATE STRUCTURE

The following are other major subsidiary companies:

INVESTORS OVERSEAS SERVICES MANAGEMENT LIMITED, a Canadian corporation, is the 100 percent owner of:

IIT Management Company S.A., a Luxembourg corporation manages IIT, an International Investment Trust, with net assets of more than 185 million dollars. The IIT Management Company invests on an international basis.

FOF Management Company Limited, a Bahamas corporation which manages The Fund of Funds Limited, an Ontario corporation with net assets in excess of 617 million dollars. The FOF Management Company invests in other U.S. and Canadian mutual funds and investment and management companies.

Canadian Fund Management Company Limited, a U.K. corporation which manages Regent Fund Ltd., a Canadian mutual fund which has total net assets of approximately 25 million dollars.

I.O.S. STERLING MANAGEMENT COMPANY, LIMITED, a Bahamas corporation which acts as manager of **The Fund of Funds Sterling Limited**, a Bahamas mutual fund which has total net assets of approximately 27 million dollars and which invests exclusively in British and other sterling area securities.

INVESTORS PLANNING CORPORATION OF AMERICA (DELAWARE). Investors Planning Corporation and its subsidiaries will shortly be sold to comply with arrangements made in June 1967 between IOS and the Securities and Exchange Commission. Principal subsidiaries of Investors Planning Corporation are: IPC Agency Inc., IPC Planning Corp., and Fund of America Management Corp.

PENSION LIFE INSURANCE COMPANY OF AMERICA INCORPORATED. A New Jersey (U.S.A.) life insurance company which offers full range of individual and group policies. It is an approximately 75 percent-owned subsidiary of I.O.S., LTD. (S.A.), with the remaining 25 percent being widely held; the stock of this company is traded in the over-the-counter markets in the U.S.

INVESTORS OVERSEAS BANK, LIMITED.

A Bahamas corporation which is fully licensed to transact a banking business under the laws of the Bahamas. Investors Overseas Bank, Limited, does not in fact transact a general banking business but serves as a private bank for the IOS group of companies. It also has limited dealing with other banks.

The following are other subsidiary companies:

IIT MANAGEMENT COMPANY LIMITED, a Bahamas corporation engaged in the publication of a monthly investment advisory service distributed to financial institutions.

INTERNATIONAL SCIENTIFIC SYSTEMS LIMITED, a Bahamas corporation which performs computer programming and systems development work on a contract basis for the IOS group of companies. Computer services in Switzerland are also handled on a contract basis through arrangements with the Sperry Rand Corporation at Nyon, Switzerland.

THE WEEKLY TRIBUNE S.A., Switzerland, publisher of The Weekly Tribune, an English-language newspaper in Geneva, and Business Digest, a monthly magazine digest covering American business news, designed for business leaders around the world.

Officers and Directors of I.O.S., Ltd. (S.A.),
Members of the Executive Management Committee.

Bernard Cornfeld

Mr. Bernard Cornfeld is President and Chairman of the Board of Directors of the parent holding company of Investors Overseas Services—I.O.S., LTD. (S.A.) (Panama). He is also Chairman of the Board of Directors of the principal IOS subsidiary companies including Investors Overseas Services Limited; The Fund of Funds, Limited; The International Life Insurance Company S.A.; IOS Financial Holdings Limited, and Investors Development Corporation, Ltd.

Born in Istanbul, Turkey, on August 17, 1927, he was brought to the United States by his parents at the age of four and completed his primary and high school education in New York City. In 1945 he entered the United States Maritime Service, where he held a commission as Lieutenant (j.g). He served as a ship's officer for three years.

Following his maritime service he attended Brooklyn

College of the City University of New York, graduating with a Bachelor of Arts degree in 1950.

He received a Master of Arts degree in social psychology from Columbia University School of Social Work in 1952. Before founding IOS in Paris in 1956, Mr. Cornfeld was associated with Investors Planning Corporation of America, one of the largest mutual fund sales organizations in the United States. In 1966 he negotiated the purchase of an 81 percent controlling interest in IPC and its subsidiaries—IPC Planning Corp., which handles pension planning; IPC Agency Inc., an Insurance General Agent; and Fund of America Management Corp., manager of the Fund of America.

A bachelor who resides in Geneva, Mr. Cornfeld spends a good part of the year travelling throughout the world. He enjoys sailing and horseback riding and maintains a stable of horses at his Château de Pelly, located in the Haute-Savoie, outside Geneva.

C. Henry Buhl III is President and a Director of the IIT Management Company S.A., which manages IIT, an International Investment Trust.

Mr. Buhl also serves as a Director of I.O.S., LTD. (S.A.) (Panama), as Vice-President and as a Director of the FOF Management Company, Limited; The Fund of Funds, Limited; The Funds of Funds Sterling Limited; and various other IOS funds and fund management companies.

Mr. Buhl was born in 1930 in Detroit, Michigan, where he

C. Henry Buhl III

spent his childhood. He attended Trinity College in Hartford, Connecticut, and in 1950 he entered the United States Navy.

In 1952 Mr. Buhl joined the brokerage firm of McDonnell & Co., a member of the New York Stock Exchange. He was elected Vice-President in charge of international operations in 1958.

Mr. Buhl joined the IOS group of companies in 1961. He is married and has two children.

Allen R. Cantor is President and a member of the Board of Directors of Investors Overseas Services Limited (Bahamas), the principal IOS sales company.

He is also a Director of I.O.S., LTD. (S.A.) (Panama), the parent holding company, and a Director of Investors Development Corporation (INDEVCO), the principal real estate company of IOS.

Mr. Cantor was born in Brooklyn, New York, in 1932. He attended Brooklyn College, where he studied political science and law, and graduated in 1953 with a B.A. degree in political science.

While studying, Mr. Cantor worked part-time with an antique book dealer. He has since developed the hobby

Allen R. Cantor

of collecting rare antique books, and he now owns a valuable collection.

After military service, Mr. Cantor studied at the Brooklyn Law School until 1958. Late that year he joined IOS, beginning as an Associate in France, then in the Near East and the Far East.

In 1962, Mr. Cantor was transferred to Geneva and appointed Vice-President of I.O.S., LTD. (S.A.) (Panama). He later became Senior Vice-President of the IOS complex.

He was appointed President of Investors Overseas Services, Limited, in August 1967.

Mr. Cantor is married and has three sons.

Edward J. Coughlin

A former New York Attorney, Edward J. Coughlin, Jr., provides general counsel on legal matters concerning IOS activities around the world.

Born in Newton, Massachusetts in 1929, Mr. Coughlin graduated from Harvard College with an A.B. degree in 1952, and from the Harvard Law School with an LL.B. in 1955.

In 1955 Mr. Coughlin became an Attorney for the New

York law firm of Paul, Weiss, Rifkind, Wharton and Garrison. He remained with that firm until he joined IOS in 1965.

Legal services to IOS subsidiaries are mainly provided by the holding company I.O.S., LTD. (S.A.)—Panama. The holding company has appointed Mr. Coughlin as its Secretary to enable him to coordinate the global legal activities of IOS.

Edward M. Cowett

A recognized authority on securities law, Edward M. Cowett is a General Counsel for IOS and its subsidiaries and one of the group's front-ranking executives.

A cum laude graduate of both Harvard College and the Harvard Law School, Mr. Cowett is the co-author of one of the definitive reference books on securities law, "Blue Sky Law."

Born in Springfield, Mass., April 10, 1930, Mr. Cowett was a research associate in law at the Harvard Law School from 1954 to 1956.

He then moved to New York to enter law practice, working finally with the firm of Feldman, Kramer, Nessen, Bam and Cowett.

He joined IOS in 1963 as a General Counsel and a Director of IOS and various subsidiary companies. Since 1967 he has been Executive Vice-President and a Director of I.O.S., LTD. (S.A.) (Panama), the parent holding company.

In addition to his authorship of "Blue Sky Law," Mr. Cowett has been a frequent contributor to law reviews with articles on U.S. State and Federal security laws. He is a member of the Federal, New York State and Massachusetts State Bar Associations, and a member of the American Bar Association Committee in state securities regulations. Married, with two children, Mr. Cowett makes his home in Geneva.

Richard Gangel is a Senior Vice-President of Investors Overseas Services Limited. He is a Director of IOS Financial Holdings Limited and also a member of the Executive Management Committee. Mr. Gangel was born in New York City in 1928 and attended Brooklyn College and New York University. Before serving with the U.S. Army in Korea, he was a trade union official for restaurant and civil service workers.

Richard Gangel

In 1954, following his military service, Mr. Gangel became a union official for the Amalgamated Clothing Workers, now one of the largest trade unions in the U.S. He joined IOS in 1959 and became a supervisor of sales in France, Holland and Spain. From 1961 until 1963, he was General Manager in the Far East. He was then made a Director of IOS and came to Geneva in 1964. Mr. Gangel is married and has four children.

Kent Gordis, is a Vice-President of I.O.S., LTD. (S.A.) (Panama). He is in charge of the data processing operations required for custodial bookkeeping and volume commission records. Born in New York in 1932, Mr. Gordis received a B.A. from Cornell University in 1954 and an M.A. in mathematics from New York University in 1959. He became a mathematician and programmer for the Sperry Gyroscope Company in 1956. In 1957 he joined

Kent Gordis

the Atomic Energy Commission as a programmer and Combustion Engineering, Inc., in the same capacity in 1959. In 1961 Mr. Gordis was an instructor of mathematics at Hunter College. The same year he founded the Kent Scientific Systems and Services, a computer programming consulting service in New York City. He was president and principal stockholder of that company until 1962, when he joined IOS.

Richard M. Hammerman is President and a founding Director of the International Life Insurance Company S.A., the principal insurance company of IOS. Mr. Hammerman was born in Miami, Florida, in 1926. He attended the Wharton School of Finance and the University of Pennsylvania. He holds a B.S. degree in Economics and is a Chartered Life Underwriter (C.L.U.). Mr. Hammerman was engaged in private business until 1957, when he joined the Equitable Life Assurance Society of the United States. He joined IOS in 1960, taking over responsibility for its life insurance activities. In 1961 he became President of Capital Planning Associates S.A., a life insurance brokerage subsidiary of

Richard M. Hammerman

IOS in Geneva, Switzerland. In 1962, Mr. Hammerman became a founding Director, Chairman and President of the International Life Insurance Company S.A. of Luxembourg. In 1963 he was a founding Director and Chairman of ILI's United Kingdom subsidiary. Mr. Hammerman is also a Director of I.O.S., LTD., (S.A.) (Panama), the parent holding company of the IOS group, of The Fund of Funds Sterling Limited, the IOS Sterling Management Company, Limited, the Dover Life Assurance Company of New York, and Pension Life Insurance Company of America. Mr. Hammerman is married and has two daughters.

Roy D. Kirkdorffer

Roy D. Kirkdorffer is a Director of I.O.S., LTD. (S.A.) (Panama), Investors Overseas Services Limited (Bahamas), and of the International Life Insurance Company, S.A. He is also IOS General Manager for England. Mr. Kirkdorffer was born in 1934 in Bristol, Indiana. He attended Purdue University in Indiana and graduated

with a B.S.C. in political science in 1956. The same year he entered the United States Air Force and served until 1959 with the rank of lieutenant. He then joined IOS in France, and in June, 1964 he became an IOS General Manager. Mr. Kirkdorffer is married and has two sons.

George J. Landau

George J. Landau is Vice-President of I.O.S., LTD. (S.A.) (Panama), responsible for co-ordinating the operating functions of data processing and production, accounting, planning and methods, and Geneva regional administration. He is also Senior Vice-President of Investors Overseas Services Limited, the principal sales company of IOS. From Geneva, 35-year-old Landau supervises all training programs for IOS field representatives and administrative staff members. Mr. Landau is a naturalized American citizen, born in Poland in 1932. After attending the Bronx High School of Science in New York, he received a B.S. degree in optics from the University of Rochester in 1955. Until 1959, when he joined IOS, Mr. Landau was a senior buyer in the Atomic Power Division of the Westinghouse

Electrical Corporation. Mr. Landau became an IOS General Manager for Africa and Europe, a post he held until his recent appointment as Senior Vice-President. He was highly successful in establishing new sales operations in Africa and the Benelux countries. He also participated in the creation of The IOS Investment Program and of the Dover Unit Equity Plan, an insurance policy for the Sterling Zone. In 1963, Mr. Landau became a Director of I.O.S., LTD. (S.A.) (Panama), the parent holding company. He is also Vice-President of IOS Overseas Funds Management Limited (U.K.) and a Director of The International Life Insurance Company S.A., The International Life Reinsurance Company Limited and Investors Bank, Luxembourg. Mr. Landau is married and has a daughter.

Melvin N. Lechner

Melvin N. Lechner is Treasurer of I.O.S., LTD. (S.A.) (Panama), the holding company of the IOS group. Mr. Lechner was born in New York in 1937. He studied at the Columbia College of Columbia University, New York, and graduated in 1958 with a B.A. degree in economics. From 1958 to 1960 he served in the U.S. Navy as a naval intelligence officer, with the rank of lieutenant. During that period he also attended New York University's School of Business Administration, and graduated in 1960 with a Master's Degree. Mr. Lechner then joined Arthur Andersen & Co., a

New York auditing firm. He remained with that firm until he joined IOS in 1966. Mr. Lechner is a Certified Public Accountant. He is a member of the American Institute of Certified Public Accountants, the New York State Society of Certified Public Accountants, and the New York University Tax Society. He has served on the Advisory Committee of the Controller of the City of New York. He joined IOS in June 1966 as Assistant Vice-President of Finance for the holding company. He was appointed Treasurer in March 1968.

James Roosevelt

After a distinguished career in Government and international public service, Mr. James Roosevelt joined Investors Overseas Services in 1967.

As President of IOS Overseas Funds Management Limited, a major portion of Mr. Roosevelt's activities at IOS are directed toward the establishment of local national mutual funds in selected countries. It is the hope of IOS that in some cases the setting up of national funds can make a significant contribution to the improvement of capital resources in local economies. As former United States Ambassador to the United Nations Economic and Social Council, Mr. Roosevelt is familiar with the economic problems faced by developing nations.

Mr. Roosevelt is a member of the Board of Directors of the parent holding company, I.O.S., LTD. (S.A.)—Panama; The International Life Insurance Company S.A.; The Fund of Funds, Limited; IIT Management Company; The Fund of Funds Sterling Limited; and the Advisory Board of the IOS Foundation. He is also President of the FOF Management Company Limited.

Following his appointment as United States Representative to the UN Economic and Social Council, Mr. Roosevelt served as Chairman of the U.S. Delegation to Committee II, 20th UN General Assembly; Chairman, U.S. Delegation, 1st Session UN Development Program Governing Council; Chairman, U.S. Delegation, 9th Session UN Economic Commission for Asia and the Far East; Chairman, U.S. Delegation, 40th Session UN Economic and Social Council; and Chairman, U.S. Delegation, Ad Hoc Committee on the United Nations Organization for Industrial Development.

Earlier, Mr. James Roosevelt served in the 84th to 89th Congresses. He was first elected to the House of Representatives from the 26th District of California on November 2, 1954.

During his congressional career, Representative Roosevelt took active leadership in the legislative fields of civil rights, labor, social security, small business and public education.

As Chairman of the General Sub-Committee on Labor, of the Committee on Education and Labor, he authored major legislation which resulted in raising the minimum wage protecting exploited migratory workers, and guarding the public's interest relative to union pension and welfare funds.

As a long-time advocate of fair employment practices, he authored the Equal Employment Opportunity Act which became a section of the Civil Rights Act of 1964. Mr. Roosevelt served as Chairman of the Sub-Committee on Distribution Problems of the House Select Committee on Small Business. He was also the co-author of the law which set up the Small Business Investment Corporation. His sub-committee was known as the "watch-dog" of giant business practices.

Mr. Roosevelt served as Chairman of the California Democratic State Central Committee from 1946 to 1948. He was National Committeeman for California from 1948 to 1952.

During World War II, Mr. Roosevelt served in the U.S. Marine Corps in the Pacific area, including Makin Island, the Philippines and the Aleutians. He was Executive Officer of Carlsons' Raiders and was awarded the Navy Cross and the Silver Star. He left the Marine Corps with the rank of Colonel. He retired as a Brigadier General.

The eldest son of President Franklin Delano Roosevelt and Anna Eleanor Roosevelt, he was born in New York City on December 23, 1907. He attended Groton and Harvard (class of 1930) and served as Secretary to President Roosevelt from December 1936-1938.

Married to the former Mrs. Gladys Irene Owens, Ambassador and Mrs. Roosevelt are the parents of Hall Delano, born on June 27, 1959. Named for a great uncle and the maiden name of his great grandmother, he is known to family and friends as "Del". Other Roosevelt children include two married daughters, Sara and Kate, and three children at college: James, Jr. and Michael at Harvard, and Anne at Stanford University.

Morton I. Schiowitz

Morton I. Schiowitz, as Chief Financial Officer of IOS, heads the corporate financial division, which is responsible for the supervision of all finance and corporate accounting. He also directs the development of short- and long-term financial plans and budgets. He is Vice-President of I.O.S., LTD. (S.A.) and Secretary and Treasurer of The Fund of Funds, Ltd. and the FOF Management Company Limited. Born in 1934, Mr. Schiowitz was educated in New Jersey and graduated from Rutgers University, New

Jersey. He holds a Bachelor of Science degree in economics and a Bachelor of Arts degree. From 1956 to 1960 he served as a finance and accounting officer in the United States Air Force Finance Department and held the reserve rank of Captain. Mr. Schiowitz joined IOS in May 1960 as a sales representative. He came to Geneva in May 1962 as an Assistant Controller, and was named Controller in 1963. He was appointed Vice-President and Treasurer in 1964. Mr. Schiowitz is married and has three children.

Barry H. Sterling

Barry H. Sterling is the Chief Executive of IOS Financial Holdings Limited (U.K.). He is also a member of the parent company's Executive Management Committee. Mr. Sterling is well known in the fields of law and politics in the State of California, where he was born in Los Angeles on October 25, 1929. He graduated from Stanford University with an A.B. degree in 1950 and from Stanford Law School in 1952 with an LL.B. degree. Mr. Sterling served in the U.S. Army with the rank of Captain, primarily in the Judge Advocate General's office in the Pentagon in Washington, D.C. After military service, Mr. Sterling became an attorney and from 1954 until 1960, he was employed by various law offices and industrial companies. From 1960 until 1967, he was a partner in the firm of Hinden, Sterling, McKittrick and Powsner in Beverly Hills, California, where he specialized to some extent in corporate securities and investment banking matters. He is a member of the American and California Bar Associations. During this time, Mr. Sterling also served as an Officer

and Member of the Board of the following companies: Allied Products Corporation (a diversified industrial and investment holding company, listed on the New York Stock Exchange), Acme Eagle Corporation (an investment holding company), the Columbia Savings and Loan Association, California, and the Home Bank, California. He also served as an Officer, Director and Member of the Board of various industrial and investment companies and investment groups. Mr. Sterling is also active in California politics. In 1967, he was appointed Treasurer of the Democratic State Central Committee of California, and in 1966, he was Treasurer of the California Division of the Democratic National Committee. He also served as Controller for the political campaign of Governor Edmund G. "Pat" Brown in California in 1966. In the arts, he is a Founder-Member of both the Los Angeles Music Center and the Los Angeles Art Museum. Mr. Sterling is also a Member of the Board of Trustees of the City of Hope Hospital in southern California. He is married and has two children.

George W. Tregea is Senior Vice-President and a Director of Investors Overseas Services, Limited, the principal sales company of IOS. He is also a member of the Executive Management Committee of I.O.S., LTD. (S.A.) (Panama).

Mr. Tregea was born in 1928 in Gilberton, Pa. He served in the United States Air Force from 1946 to 1949. He is a 1954 graduate of the University of Arizona and also holds a Bachelor of Foreign Trade degree from the American

Institute of Foreign Trade, of Glendale, Ariz.

From 1955 to 1958 he was associated with the National Supply Company's Venezuela sales subsidiary. He joined IOS in 1959 and became responsible for the administration of sales and the supervision of hundreds of sales representatives in Latin America.

Mr. Tregea fulfilled these functions until 1966, when he became an executive of I.O.S., LTD. (S.A.).

Mr. Tregea is married and has three children.

George W. Tregea

Eli Wallitt is a Director of I.O.S., LTD. (S.A.) (Panama), the parent holding company of IOS, and of Investors Overseas Services Limited, the principal sales subsidiary. He is also a Director of IOS Overseas Funds Management Limited.

Mr. Wallitt was born in New York City in 1928. He graduated from Brooklyn College in 1955 and received B.A. degrees in Psychology and Education. While attending college, he was also the assistant principal of a private school and ran two cooperative community centers and an art school in New York City.

Mr. Wallitt joined Investors Planning Corporation (IPC) in 1955 and remained with that company until 1959. That year he joined IOS and assumed managerial responsibilities.

From 1961 to 1963 he was Vice-President of Investors Continental Services. From 1963 to 1965 he was IOS Field Director.

In 1965, Mr. Wallitt became IOS coordinator for Germany. He is presently based in Geneva and remains primarily concerned with IOS field operations in Europe.

Mr. Wallitt is married and has two children.

Eli Wallitt

Wilson W. Wyatt, a former Lieutenant Governor of the State of Kentucky, with a brilliant career in government service spanning over 35 years, is a Director of I.O.S., LTD. (S.A.), Panama, of The Fund of Funds, Limited and of Fonditalia Management Company.

Mr. Wyatt was born in 1905 in Louisville, Ky., where he spent his childhood. He graduated with an LL.B. degree (valedictorian) from the U. of Louisville in 1927. He received an LL.D. degree from Knox College in 1945, and an honorary LL.D. from the U. of Louisville in 1948.

A lawyer, Mr. Wyatt was admitted to the bar in 1927,

and began to practice in Louisville. He was mayor of that city from 1941 to 1945. He became a senior partner of the law firm of Wyatt, Grafton and Sloss of Louisville, Kentucky in 1947.

Mr. Wyatt has had a distinguished career in American domestic and foreign politics. In 1952 he was campaign manager for Adlai Stevenson. He was Lieutenant Governor of Kentucky from 1959 to 1963. He has led major diplomatic missions as special emissary for Presidents Roosevelt, Truman and Kennedy. In 1963 Mr. Wyatt was President Kennedy's special envoy to Indonesia.

Wilson W. Wyatt



SALES

FUND MANAGEMENT

INSURANCE

BANKS AND FINANCIAL COMPANIES

PARENT HOLDING COMPANY



REAL ESTATE

ADMINISTRATIVE

OTHER SUBSIDIARY COMPANIES

100% owned subsidiaries

INVESTORS OVERSEAS SERVICES LIMITED
(Bahamas)
Principal sales subsidiary

I.O.S. DISTRIBUIDORA SUDAMERICANA S.A.
(Argentina)

INTERNATIONAL OVERSEAS SERVICES PTY. LIMITED
(Australia)

INVESTORS OVERSEAS SERVICES IN WIEN GmbH
(Austria)

I.O.S. OF CANADA, LTD.
(Canada)

ALTERSINVEST
Beratungsgesellschaft für Anlageplanung und Altersversorgung mbH
(Germany)

INVESTORS OVERSEAS SERVICES (H.K.) LIMITED
(Hong-Kong)

INVESTORS OVERSEAS SERVICES (MIDDLE EAST) S.A.L.
(Lebanon)

INVESTORS OVERSEAS SERVICES I.O.S. (LUXEMBOURG) S.A.
(Luxembourg)

AGENCIA DE INVESTORS OVERSEAS SERVICES DE PANAMA S.A.
(Panama)

Société d'Information I.O.S. S.A. (S.I.O.S.)
(Switzerland)

IOS FAR EAST LIMITED
(Bahamas)
Branch Headquarters, Tokyo

81% owned subsidiaries

INVESTORS PLANNING CORPORATION
of America*
(Delaware)

IPC AGENCY INC.
(New York)
Insurance General Agent

IPC PLANNING CORP.
(New York)
Pension Planning

FUND OF AMERICA MANAGEMENT CORP.
(New York)
Manager of Fund of America Inc.

49% owned subsidiary

SERVICIO DE INVERSIONISTAS DE ULTRAMAR S.A.
(Mexico)

* IOS will shortly sell its interests in IPC and its subsidiaries.

FUND MANAGEMENT

100% owned subsidiaries

IOS OVERSEAS FUNDS MANAGEMENT LIMITED
(U.K.)
Principal company engaged in organization and management
of series of national and regional funds and fund management companies

FONDITALIA MANAGEMENT COMPANY S.A.
(Luxembourg)
Manager of Fonditalia

INVESTORS FONDS
KAPITALANLAGEGESELLSCHAFT mbH (99% owned)
(Germany)

COMPANIES NOW IN VARIOUS STAGES
of organization to be managers of local funds as organized

100% owned subsidiaries

I.O.S. STERLING MANAGEMENT COMPANY, LIMITED
(Bahamas)
Manager of The Fund of Funds Sterling Limited

INVESTORS OVERSEAS SERVICES
MANAGEMENT LIMITED (CAN.)
Holding Company

FOF MANAGEMENT COMPANY LIMITED
(U.K.)
Manager of The Fund of Funds, Limited

IIT MANAGEMENT COMPANY S.A.
(Luxembourg)
Manager of IIT, an International Investment Trust

CANADIAN FUND MANAGEMENT COMPANY
LIMITED (U.K.)
Investment Advisor and Manager of Regent Fund, Ltd.

80% owned subsidiaries

THE INTERNATIONAL LIFE INSURANCE COMPANY S.A.
(Luxembourg)

THE INTERNATIONAL LIFE INSURANCE COMPANY (U.K.) LIMITED
(U.K.)

THE INTERNATIONAL LIFE INSURANCE COMPANY (MALTA) LIMITED
(Malta)

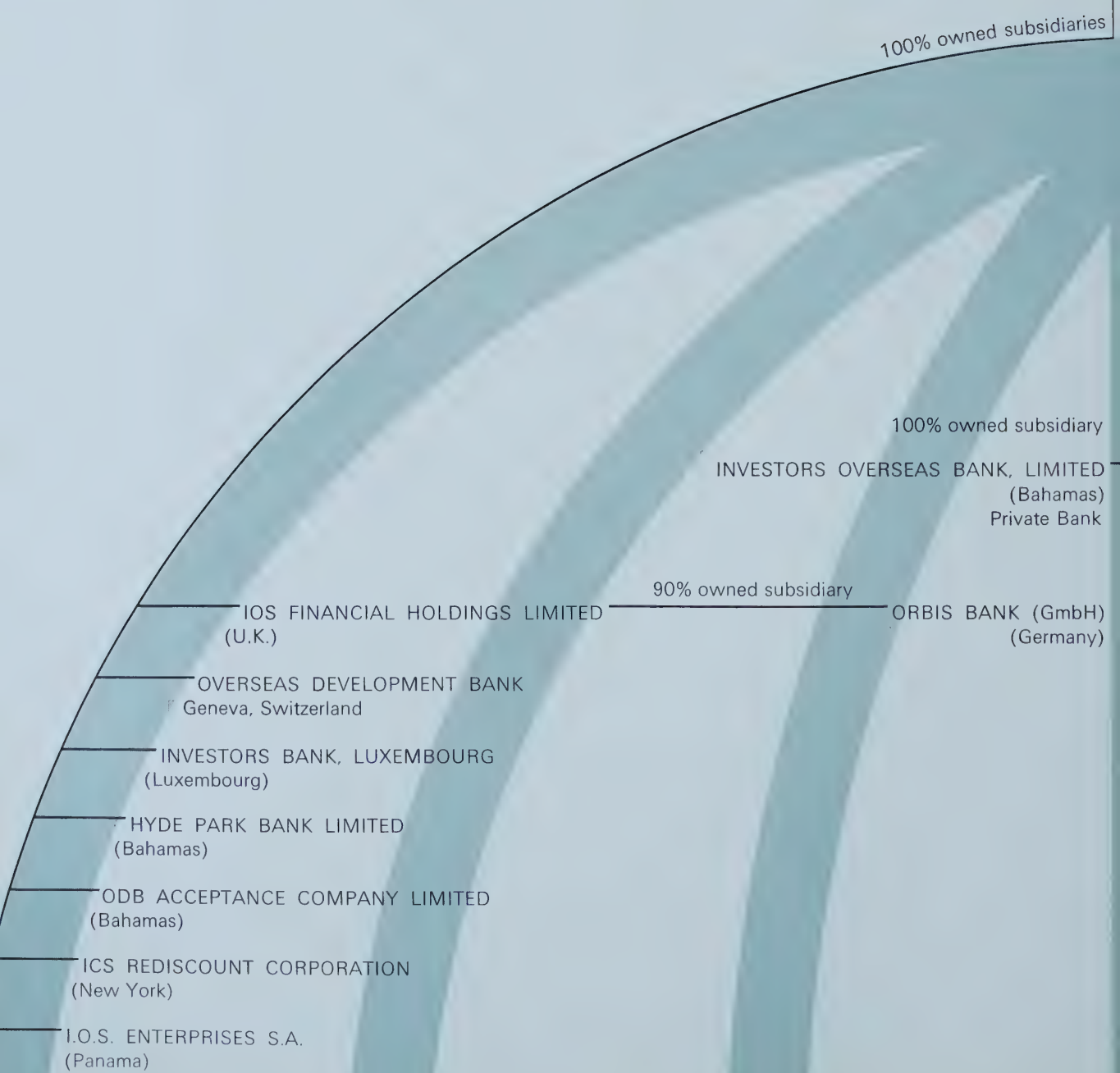
THE INTERNATIONAL LIFE REINSURANCE COMPANY LIMITED
(Bahamas)

CAPITAL PLANNING ASSOCIATES S.A.
(Panama)

approximate 75% owned subsidiary

PENSION LIFE INSURANCE COMPANY OF AMERICA, INCORPORATED
(New Jersey)

BANKS AND FINANCIAL COMPANIES



REAL ESTATE

100% owned subsidiary

INVESTORS DEVELOPMENT CORPORATION, LTD.
(INDEVCO)
(Bahamas)

PROPERTY MANAGEMENT S.A.
(Spain)

ADMINISTRATIVE

100% owned subsidiary

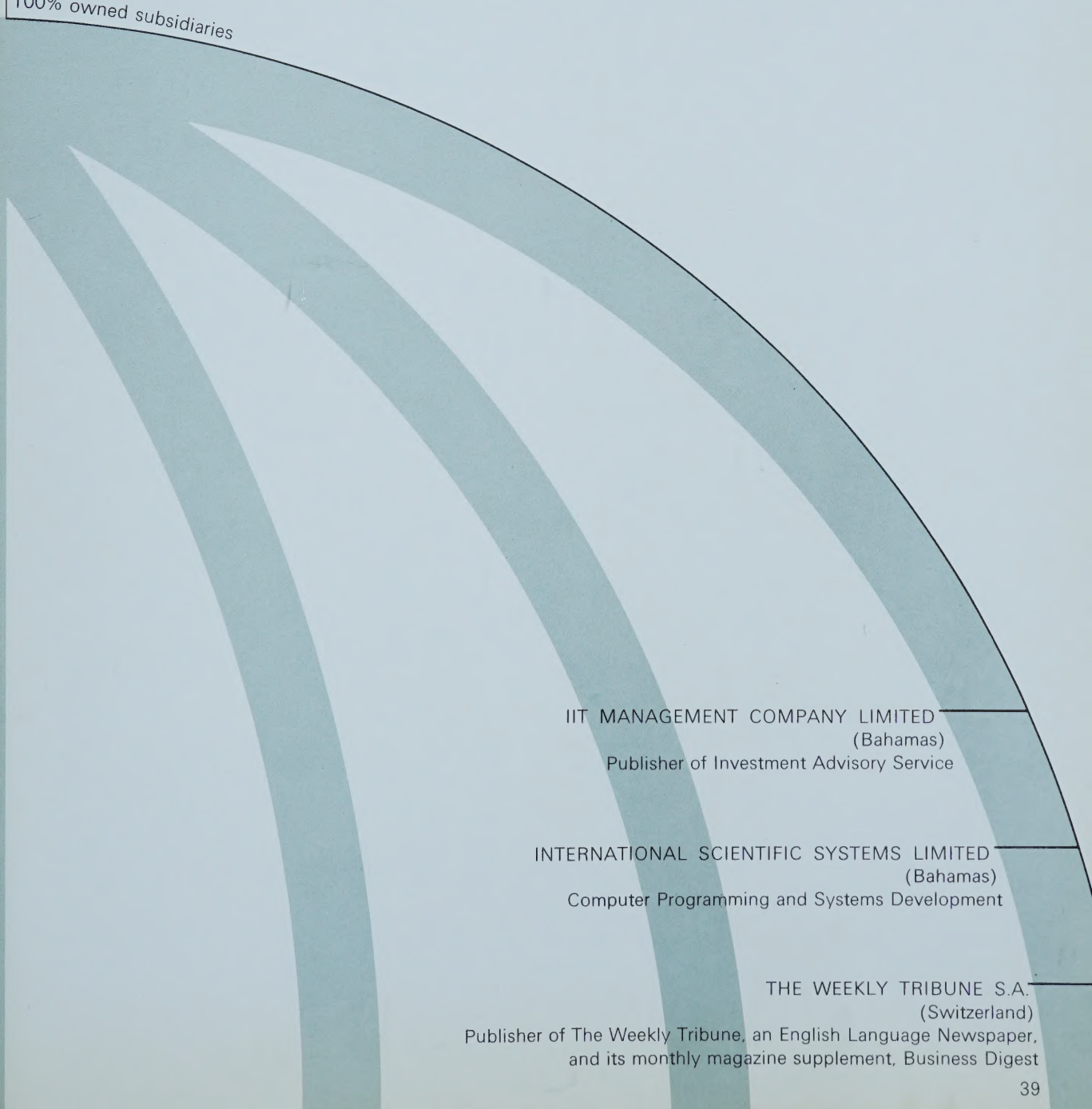
SERVICES ADMINISTRATIFS I.O.S. FRANCE S.A.R.L.
(Ferney-Voltaire, France)

IOS ADMINISTRATIVE S.A.
(Switzerland)

INVESTORS OVERSEAS SERVICES
IN DEUTSCHLAND GmbH
(Germany)

OTHER SUBSIDIARY COMPANIES

100% owned subsidiaries



IIT MANAGEMENT COMPANY LIMITED
(Bahamas)
Publisher of Investment Advisory Service

INTERNATIONAL SCIENTIFIC SYSTEMS LIMITED
(Bahamas)
Computer Programming and Systems Development

THE WEEKLY TRIBUNE S.A.
(Switzerland)
Publisher of The Weekly Tribune, an English Language Newspaper,
and its monthly magazine supplement, Business Digest

IOS CONSOLIDATED SALES

Volume Breakdown

ANNUAL PROFITS

I.O.S., LTD. (S.A.)

ANNUAL SALES

IOS Consolidated Sales

IOS CONSOLIDATED SALES	(Face Amount—New Business in U.S. Dollars)				VOLUME BREAKDOWN
	1963	1964	1965	1966	1967
IOS Investment Programs	113,600,000	223,000,000	446,000,000	726,000,000	783,210,000
ILI (U.K.)	1,400,000	13,000,000	59,000,000	95,000,000	102,725,000
Other Funds	30,723,000	39,926,000	46,430,000	55,655,000	31,100,000
IPC Domestic	—	—	33,300,000	150,000,000	141,635,000
IPC International (Formerly ICS)	5,400,000	13,500,000	21,000,000	32,000,000	46,500,000
ILI (Luxembourg)	5,877,000	4,574,000	4,470,000	5,560,000	18,501,000
INDEVCO (Real Estate)	—	—	—	1,785,000	12,215,000
Totals	157,000,000	294,000,000	610,200,000	1,066,000,000	1,135,886,000

ANNUAL PROFITS	I.O.S., LTD. (S.A.)
and subsidiaries.	U.S. Dollars
1960*	66,000
1961	178,300
1962	208,000
1963	544,000
1964	1,746,300
1965	3,380,500
1966	5,133,100
1967	7,313,300

* Company incorporated on April, 9, 1960.

ANNUAL SALES	IOS CONSOLIDATED SALES
1956-1962 (Face amount—new business)	U.S. Dollars
1956	1,200,000
1957	4,100,000
1958	7,200,000
1959	19,100,000
1960	33,700,000
1961	57,900,000
1962	101,000,000



Investors Overseas Services

Public Relations Department
Administrative Branch Office
119 rue de Lausanne
Geneva, Switzerland

